NATIONAL POLICIES

A. COMPENSATION - LOCAL CARRIERS ARE ENTITLED TO COMPENSATION FOR CALLS TERMINATED OVER THEIR NETWORKS.

<u>Application of Policy</u>: Messaging Carriers Are Entitled To Compensation Regardless Of Fact That Messaging Carriers Do Not Terminate Traffic At Present Over LEC Networks.

B. CONSISTENCY - PAYMENT BETWEEN CO-CARRIERS SHOULD BE BASED ON DIRECTIONALITY. IF CARRIER ONLY RECEIVES (TERMINATES) TRAFFIC, IT SHOULD NOT BE REQUIRED TO PAY FOR FACILITY.

Application of Policy: Messaging Carrier Should Not Be Required To Pay For Inter-Carrier Facility Between LEC And MTSO. If Messaging Carrier Uses Facility To Originate As Well, Payment Based On Proportionality Of Directional Use.

NATIONAL POLICIES

- C. COMPENSATION TO CO-CARRIERS SHOULD PROMOTE DIVERSITY IN COMPETITION
- UNEQUAL TREATMENT HARMS MESSAGING CARRIERS THAT USED NOT TO OFFER TWO-WAY INTERACTIVE SERVICES
- UNEQUAL TREATMENT WOULD FORCE OTHERWISE UNECONOMIC RELATIONSHIPS
 - **♦ MESSAGING CARRIER RELATIONSHIP W/CLEC**
 - **♦ MESSAGING CARRIER RELATIONSHIP W/CELLULAR CARRIER**
 - **♦ MESSAGING CARRIER RELATIONSHIP W/INDIVIDUALS**

<u>Application of Policy</u>: Require LECs to compensate all wireless carriers for all traffic terminated on wireless facilities - no distinction based on one-way nature of traffic

NATIONAL POLICIES

- D. COMPENSATION POLICY RE LECS SHOULD ALSO PROMOTE COMPETITION
 - 1. ALL LECS MUST OFFER TRUE END OFFICE INTERCONNECTION AT REASONABLE COST-BASED RATES, WITHOUT SUBSIDIES
 - 2. CHARGES FOR END OFFICE "NUMBERS" MUST BE COST BASED. THERE MUST BE NO LEC CHARGES FOR NXX CODES. (Any charges, assessed fairly to all carriers by third party Administrator).
 - 3. ALL CARRIERS ENTITLED TO ALL SIGNALING ARRANGEMENTS. MESSAGING CARRIERS ARE ENTITLED TO RECEIVE SS7.

MYTH TO DEBUNK

ALLEGATION: TRAFFIC MUST FLOW IN BOTH DIRECTIONS (MUTUALITY OF TRAFFIC) IN ORDER FOR ENTITLEMENT TO COMPENSATION (Conn. DPU; SNET)

RESPONSE: MESSAGING CARRIER INCURS
COSTS FOR TERMINATING TRAFFIC; THE
FACT THAT IT DOES NOT ORIGINATE
TRAFFIC HAS NO BEARING UPON THE FACT
THAT COSTS ARE INCURRED

MYTH TO DEBUNK

ALLEGATION: STATES NEED BROAD JURISDICTION OVER WIRELESS CARRIERS IN ORDER FOR THOSE CARRIERS TO BE ENTITLED TO COMPENSATION (Conn. DPU)

RESPONSE: STATE JURISDICTION IRRELEVANT TO ENTITLEMENT TO COMPENSATION

MYTH TO DEBUNK

ALLEGATION: MESSAGING CARRIERS ARE CUSTOMERS, NOT CARRIERS (e.g. NYNEX argument that messaging carriers have private-non-interconnected networks, using two-call topography)

RESPONSE: MESSAGING CARRIERS
ARE CO-CARRIERS
MESSAGING CARRIERS ARE
INTERCONNECTED